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DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-971]

Multilayered Wood Flooring from the People's Republic of China: Countervailing Duty Order

AGENCY: Import Administration, International Trade Administration, Department of

Commerce

SUMMARY: Based on affirmative final determinations by the Department of Commerce ("the Department") and the International Trade Commission ("ITC"), the Department is issuing a countervailing duty ("CVD") order on multilayered wood flooring from the People's Republic of China ("PRC").

EFFECTIVE DATE: [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Joshua Morris, AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1779.

BACKGROUND

On October 18, 2011, the Department published its final determination that countervailable subsidies are being provided to producers and exporters of multilayered wood flooring from the PRC. See Multilayered Wood Flooring From the People's Republic of China: Final Affirmative Countervailing Duty Determination, 76 FR 64313 (October 18, 2011) ("Final Determination").

On December 1, 2011, the ITC notified the Department of its final determination pursuant to sections 705(b)(1)(A)(ii) and 705(d) of the Tariff Act of 1930, as amended ("the Act"), that an industry in the United States is materially injured by reason of subsidized imports

of subject merchandise from the PRC. *See Multilayered Wood Flooring from China*, USITC Investigation Nos. 701-TA-476 and 731-TA-1179, USITC Publication 4278 (November 2011). SCOPE OF THE ORDER

Multilayered wood flooring is composed of an assembly of two or more layers or plies of wood veneer(s)¹ in combination with a core. The several layers, along with the core, are glued or otherwise bonded together to form a final assembled product. Multilayered wood flooring is often referred to by other terms, *e.g.*, "engineered wood flooring" or "plywood flooring." Regardless of the particular terminology, all products that meet the description set forth herein are intended for inclusion within the definition of subject merchandise.

All multilayered wood flooring is included within the definition of subject merchandise, without regard to: dimension (overall thickness, thickness of face ply, thickness of back ply, thickness of core, and thickness of inner plies; width; and length); wood species used for the face, back and inner veneers; core composition; and face grade. Multilayered wood flooring included within the definition of subject merchandise may be unfinished (*i.e.*, without a finally finished surface to protect the face veneer from wear and tear) or "prefinished" (*i.e.*, a coating applied to the face veneer, including, but not exclusively, oil or oil-modified or water-based polyurethanes, ultra-violet light cured polyurethanes, wax, epoxy-ester finishes, moisture-cured urethanes and acid-curing formaldehyde finishes.) The veneers may be also soaked in an acrylic-impregnated finish. All multilayered wood flooring is included within the definition of subject merchandise regardless of whether the face (or back) of the product is smooth, wire brushed, distressed by any method or multiple methods, or hand-scraped. In addition, all multilayered wood flooring is included within the definition of subject merchandise regardless of

¹ A "veneer" is a thin slice of wood, rotary cut, sliced or sawed from a log, bolt or flitch. Veneer is referred to as a ply when assembled.

whether or not it is manufactured with any interlocking or connecting mechanism (for example, tongue-and-groove construction or locking joints). All multilayered wood flooring is included within the definition of the subject merchandise regardless of whether the product meets a particular industry or similar standard.

The core of multilayered wood flooring may be composed of a range of materials, including but not limited to hardwood or softwood veneer, particleboard, medium-density fiberboard, high-density fiberboard ("HDF"), stone and/or plastic composite, or strips of lumber placed edge-to-edge.

Multilayered wood flooring products generally, but not exclusively, may be in the form of a strip, plank, or other geometrical patterns (*e.g.*, circular, hexagonal). All multilayered wood flooring products are included within this definition regardless of the actual or nominal dimensions or form of the product.

Specifically excluded from the scope are cork flooring and bamboo flooring, regardless of whether any of the sub-surface layers of either flooring are made from wood. Also excluded is laminate flooring. Laminate flooring consists of a top wear layer sheet not made of wood, a decorative paper layer, a core-layer of HDF, and a stabilizing bottom layer.

Imports of the subject merchandise are provided for under the following subheadings of the Harmonized Tariff Schedule of the United States ("HTSUS"): 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.2510; 4412.31.2520; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4070; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.3175; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540; 4412.32.0560; 4412.32.2510; 4412.32.2520; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.5600; 4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012;

4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052; 4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030; 4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3131; 4412.94.3141; 4412.94.3160; 4412.94.3171; 4412.94.4100; 4412.94.5100; 4412.94.6000; 4412.94.7000; 4412.94.8000; 4412.94.9000; 4412.94.9500; 4412.99.0600; 4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5100; 4412.99.5710; 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500; 4412.99.5700; 4412.99.5700; 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500;

While HTSUS subheadings are provided for convenience and customs purposes, the written description of the subject merchandise is dispositive.

COUNTERVAILING DUTY ORDER

On April 6, 2011, the Department published its preliminary determination and instructed U.S. Customs and Border Protection ("CBP") to suspend liquidation of all entries of subject merchandise entered or withdrawn from warehouse, for consumption, on or after April 6, 2011, except 1) Zhejiang Layo Wood Industry Co., Ltd., and its affiliate Jiaxing Brilliant Import & Export Co., Ltd., and 2) Zhejiang Yuhua Timber Co., Ltd., because their subsidies were *de minimis*. *See Multilayered Wood Flooring From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination*, 76 FR 19034 (April 6, 2011). In accordance with section 703(d) of the Act, which states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than four months, the Department terminated suspension of liquidation effective August 4, 2011. Therefore, entries of multilayered wood flooring made on or after August 4, 2011, and prior to the date of publication of the ITC's

final determination in the *Federal Register* are not liable for the assessment of CVDs due to the Department's discontinuation of the suspension of liquidation.

In accordance with section 706(a)(1) of the Act, the Department will direct CBP to reinstitute suspension of liquidation effective the date of publication of the ITC final determination in the *Federal Register*. The Department will also direct CBP to assess, upon further advice by the Department pursuant to section 706(a)(1) of the Act, CVDs for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates for the subject merchandise as noted below. Because 1) Zhejiang Layo Wood Industry Co., Ltd., and its affiliate Jiaxing Brilliant Import & Export Co., Ltd., and 2) Zhejiang Yuhua Timber Co., Ltd. received *de minimis* net subsidy rates in the *Final Determination* they are excluded from this CVD order.

Exporter/Manufacturer	Net Subsidy Rate
Zhejiang Layo Wood Industry Co., Ltd.; Jiaxing Brilliant Import & Export Co., Ltd.	None – excluded from the order
Zhejiang Yuhua Timber Co., Ltd.	None – excluded from the order
Fine Furniture (Shanghai) Ltd.; Great Wood (Tonghua) Ltd.; Fine Furniture Plantation (Shishou) Ltd.	1.50
9 Miles Oak Flooring (China)*	26.73
Anhui HUPO Wood Industry Co., Ltd.*	26.73
Anji Tianpeng Bamboo & Wooden Floor Co., Ltd.*	26.73
Anlian Wood Co., Ltd.*	26.73
Beijing Forever Strong Construction & Decoration Material Co., Ltd.*	26.73
Beijing New Building Material (Group) Co., Ltd.*	26.73
Beijing W.A Wood Co., Ltd.*	26.73

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Foshan Shunde Hechengchuangzhan Wood Co., Ltd.*	26.73
Foshan Tocho Timber Co., Ltd.*	26.73
Fujian Jianou Huayu Bamboo Industry Co., Ltd.*	26.73
Fuzhou Floors China Co., Ltd.*	26.73
Gao'an City Kangli Bamboo And Wooden Products Co., Ltd.*	26.73
Giant Flooring*	26.73
Glassical Industrial Limited*	26.73
Great Forest Wood Limited*	26.73
Green Elf Flooring (also dba Hong Ding Lumber Co.)*	26.73
Guangdong Guangyang Hi-Tech Industry Co., Ltd.*	26.73
Guangdong Yingran Wood Industry*	26.73
Guangzhou Fnen Wood Flooring*	26.73
Guangzhou Homewell Trade Co., Ltd.*	26.73
Guangzhou Quanfeng Wood Industry Co., Ltd.*	26.73
Handan Global Wood Limited*	26.73
Hangzhou Dazhuang Floor Co.*	26.73
Hangzhou Fuyang Zhongjian Wood Industry Co., Ltd.*	26.73
Hangzhou Kingdom Imp & Exp Trading Corp., Ltd.*	26.73
Hangzhou Singular Group Co., Ltd.*	26.73
Hangzhou Tianlin Industrial Co., Ltd.*	26.73
Heze Lv Sen Wood Co., Ltd.*	26.73
Homewell (Xiamen) Industry Co., Ltd.*	26.73
Huidong Weikang Rubber & Plastic Products Co., Ltd.*	26.73

HU'Made Group*	26.73
Huzhou Boge Import And Export Co., Ltd.*	26.73
Huzhou Jinjie Industrial Co., Ltd.*	26.73
Huzhou Natural Forest Flooring Co., Ltd.*	26.73
Huzhou Tianlong Wood Co., Ltd.*	26.73
Huzhou Top Wood Co., Ltd.*	26.73
Huzhou Yaxin Arts & Crafts Co., Ltd.*	26.73
Jiangmen Xinhui Yinhu Woodwork Co., Ltd.*	26.73
Jiangsu Happy Wood Industrial Group Co., Ltd.*	26.73
Jiangsu Horizon Trade Co., Ltd.*	26.73
Jiangsu Kentier Wood Co., Ltd.*	26.73
Jiangsu Nanyang Wood Co., Ltd.*	26.73
Jiangsu Wanli Wooden Co., Ltd.*	26.73
Jiangxi Kangtilong Bamboo Products Co., Ltd.*	26.73
Jiashan Greenland International Trading Co., Ltd.*	26.73
Jiashan Huayu Lumber Co., Ltd.*	26.73
Jiashan Longsen Lumbering Co., Ltd.*	26.73
Jiashan On-Line Lumber Co., Ltd.*	26.73
Jiaxing Hengtong Wood Co., Ltd.*	26.73
Jilin Newco Wood Industries Co., Ltd.*	26.73
Jining Sensen Wood Industry Co., Ltd.*	26.73
Jining Sunny Wood Co., Ltd.*	26.73
Kingswood Timber*	26.73

Kornbest Enterprises Ltd.*	26.73
Lianyungang Shuntian Timber Co., Ltd.*	26.73
Longeron I&E Co., Ltd.*	26.73
Lord Parquet Industry Co., Limited.*	26.73
Lyowood Industrial Co., Ltd.*	26.73
MacDouglas Wood Flooring (Suzhou) Co., Ltd.*	26.73
Nanjing Dimac Wood Industry Co., Ltd.*	26.73
Qiaosen Wood Flooring Industry Company*	26.73
Qichuang Wood Industrial Co., Ltd.*	26.73
Qingdao Fuguichao Wood Co., Ltd.*	26.73
Quanfa Woodwork (Shenzhen) Co., Ltd.*	26.73
Shandong Fuma Commerce & Trade Co., Ltd.*	26.73
Shandong Yuncheng Jinyang Wood Industry Co., Ltd.*	26.73
Shanghai Chunna Industrial Co., Ltd.*	26.73
Shanghai Eswell Enterprise Co., Ltd.*	26.73
Shanghai Feihong Wood Products Co.*	26.73
Shanghai Guangri Flooring Co., Ltd.*	26.73
Shanghai Pinsheng Wood Industry Co., Ltd.*	26.73
Shanghai Pujiang United Wood Co., Ltd.*	26.73
Shanghai Yiming Wooden Industry Co., Ltd.*	26.73
Shenyang Bask Industry Co., Ltd.*	26.73
Shenzhen JianYuanXin Trade Co., Ltd.*	26.73
Shuanghai Shuai Yuan Wood Industry Co., Ltd.*	26.73

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Zhongshan New Oasis Wood Industry Co., Ltd.*	26.73
Zhongyi Bamboo Industrial Co., Ltd. Fujian*	26.73
All-Others	1.50

^{*} Non-cooperative company, which received an adverse facts available rate in the *Final Determination*. *See Final Determination*, 76 FR at 64315.

This notice constitutes the CVD order with respect to multilayered wood flooring from the PRC, pursuant to section 706(a) of the Act. Interested parties may contact the Department's Central Records Unit, Room 7046 of the main Commerce Building, for copies of an updated list of CVD orders currently in effect.

This order is issued and published in accordance with section 706(a) of the Act, 19 CFR 351.224(e) and 19 CFR 351.211(b).

Ronald K. Lorentzen
Acting Assistant Secretary
for Import Administration

December 2, 2011

(Date)

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